

**DRAFT OF PRINCIPLES FOR A WATER EXCHANGE BETWEEN
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
AND THE UNITED STATES BUREAU OF RECLAMATION**

Program Description

Metropolitan, with the concurrence of DWR will revise its SWP deliver schedule to make the following minimum quantities of its 1997 SWP water supply available for exchange:

Month	Quantity (AF)
June	20,000
July	17,000
August	15,000

A minimum of 10 business days prior to each of the above months, Reclamation will inform Metropolitan what quantity of that month's available water supply it desires to exchange with Metropolitan. Metropolitan shall only be obligated to deliver up to the monthly quantities specified but, if requested may approve additional amounts.

In each of the above months, Metropolitan shall reduce its SWP deliveries by the exchange quantity identified by Reclamation by shifting demands, drawing on internal storage or drawing on its SWP terminal reservoir storage accounts. Reclamation shall return the exchange water to Metropolitan in 1997 or 1998. The return period may be extended beyond 1998 if the parties enter into an additional agreement.

All water shall be returned on a mutually agreeable schedule, however, unless otherwise agreed, the following minimum cumulative deliveries for a given year shall be returned:

Month	% of Cumulative Exchange Water Returned to Metropolitan
September	0
October	30
November	70
December	100

Reclamation agrees that return of this exchange water shall have priority over the refill of federal storage at San Luis Reservoir and CVP deliveries.

The quality of the return water shall at least be equivalent to that supplied by Metropolitan. Metropolitan's approval will be required if Reclamation proposes to return non-Delta water to Metropolitan.

Payments

30 days from the date the quantity of exchange water is agreed to, Reclamation shall pay Metropolitan \$25 per AF for water Metropolitan makes available.

On February 1, 1998, Reclamation shall pay Metropolitan an additional \$25 per AF, for the quantity of water to be returned during 1998.

Other

Reclamation shall be responsible for obtaining all environmental and regulatory approvals including SWRCB approval.